

**Lincoln Pulp and Paper Co., Inc.
Penobscot County
Lincoln, Maine
A-177-70-C-A**

**Departmental
Findings of Fact and Order
Part 70 Air Emission License
Amendment #1**

After review of the Initial Part 70 License application, staff investigation reports and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 M.R.S.A, Section 344 and Section 590, the Department finds the following facts:

I. Registration

A. Introduction

FACILITY	Lincoln Pulp and Paper Co. (LPP)
LICENSE NUMBER	A-177-70-C-A
LICENSE TYPE	Part 70 Section 502(b)(10) Change
NAICS CODES	322122
NATURE OF BUSINESS	Paper Mill
FACILITY LOCATION	Main St., Lincoln
DATE OF LICENSE ISSUANCE	October 22, 2002
DATE OF AMENDMENT ISSUANCE	January 16, 2004
LICENSE EXPIRATION DATE	October 22, 2007

B. Application Classification

The application for LPP does not include the licensing of increased emissions or the installation of new or modified equipment. The request by LPP does not cause emissions in excess of the standards in the permit (whether expressed therein as a rate of emissions or in terms of total emissions) and qualifies as a 502(b)(10) of the Clean Air Act.

C. Revision Description

As of January 16, 2004, LPP has been forced due to financial hardship to cease operations at the LPP facility located in Lincoln, Maine. In an effort to protect physical assets so the facility may remain a viable operation at some point in the future, attempts to keep critical areas heated are being sought. Without production to provide cash flow to the company, there is little money to buy the needed fuel for heating purposes.

The table below summarizes licensed point sources that combust fuel oil, black liquor, or biomass fuels. The operational status and licensed fuel changes currently in place are identified:

Licensed Point Source (Combustion Sources Only)	Current Mode of Operation	Section 502(b)(10) Change Requested
No. 3 Power Boiler	Not Operating	No
No. 6 Power Boiler	Not Operating	Yes
No. 7 Power Boiler	Operating 0.7% Sulfur	Yes
No. 8 Power Boiler	Operating – Biomass & Intermittent 0.5% Sulfur fuel	No
No. 2 Recovery Boiler	Operating – 100% 0.7 % fuel oil	Yes
Lime Kiln	Operating – Intermittent 2.0% Sulfur Fuel Firing	No

Under LPP's current Part 70 air emission license, the relevant fuel requirements are summarized as follows in Condition (20) B:

Condition (20)B

If the #8 power boiler is not operating and the recovery boiler is operating, then LPP may operate power boilers #3, #6, and #7 concurrently. When the recovery boiler is firing 100% oil, the sulfur content of the fuel oil being burned in it shall not exceed 0.7% sulfur by weight. At all other times, the fuel oil being fired in the recovery boiler shall not exceed 2.0% sulfur by weight. Hours of operation for the recovery boiler firing 100% oil shall be limited to a total of 350 hours over every consecutive 12-month period.

During normal operation, fuel with 0.7% sulfur by weight would be used in the #2 Recovery Boiler and the single oil-fired power boiler that was operating when the #2 Recovery Boiler was firing fuel oil with no black liquor. Under the new scenario, LPP is proposing to the Department that a Part 70 Section 502 (b)(10) change be implemented. This change would allow LPP to use fuel with 2.0% sulfur by weight for both the #2 Recovery Boiler (while firing up to 200 MMBtu/hr) and the single oil-fired power boiler (either No. 6 or No. 7 power boiler at 50 MMBtu/hr), until such time as the mill resumes normal operations. All pulp mill units would only have minimal firing occurring to prevent freezing and may not operate for production purposes. The 350 hour limit for firing 100% oil in the recovery boiler (on a 12-month basis) is not applicable under this scenario.

Under this scenario, there will be no net increase in emissions greater than the facility's licensed allowed under air emission license A-177-70-A-I. At this time,

the table below summarizes the LPP proposal and request oil firing scenario changes from the current license.

Source	Licensed Oil Heat Capacity (MMBtu/hr)	Fuel Sulfur Content by Weight required by current license	Proposed Heat Input (MMBtu/hr)	Proposed Fuel Sulfur by Weight
No. 2 Recovery Boiler	≈ 500 MMBtu/hr	0.7% when firing 100% oil for no more than 350 hours in a 12 month period	200 MMBtu/hr	2.0 % when firing 100% oil without an hourly limit
No. 7 or No. 6 Power Boiler	100.1 MMBtu/hr	0.7%	50 MMBtu/hr	2.0%

MEDEP modeled the following proposed scenario using ISCST3:

- Either Boiler #6 or Boiler #7 operating at half capacity firing #6 fuel oil
- Recovery Boiler firing #6 fuel oil at a max capacity of 200 MMBtu/hr and venting through either the east or west stack
- Sulfur content of the fuel not to exceed 2.0% by weight

The results demonstrated that emissions from this firing configuration will not cause or contribute to violations of Maine Ambient Air Quality Standards.

Therefore, the Department has determined that the temporary firing of 2.0% sulfur fuel oil under the proposed conditions constitutes a minor revision to be processed as a Part 70 Section 502(b)(10) change. If there is a return to normal operational conditions, LPP will immediately resume operation as per the existing Part 70 air emissions license.

ORDER

Based on the above Findings and subject to conditions listed below, the Department concludes that emissions from this source:

- will receive Best Practical Treatment;
- will not violate applicable emissions standards
- will not violate applicable ambient air quality standards in conjunction with emissions from other sources.

The Department hereby grants the Part 70 Section 502(b)(10) change A-177-70-C-A subject to the conditions found in Air Emission License A-177-70-A-I and in addition to the following conditions

The following are new Conditions:

(42) The following shall apply from January 16, 2004 to June 1, 2004:

LPP may fire #6 fuel oil with a sulfur content not to exceed 2.0% by weight in the following equipment:

Source	Proposed Heat Input (MMBtu/hr)	Proposed Fuel Sulfur by Weight
No. 2 Recovery Boiler	200 MMBtu/hr	2.0 % when firing 100% oil without an hourly limit
No. 7 or No. 6 Power Boiler	50 MMBtu/hr	2.0%

1. LPP shall operate either No. 6 or No. 7 Power Boiler at 50 MMBtu/hr capacity but shall not fire #6 or #7 simultaneously.
2. LPP shall not exceed 200 MMBtu/hr capacity in the No. 2 Recovery Boiler and vent emissions through either the east or west stack.
3. LPP shall keep daily records of the amount of fuel fired.
4. LPP shall comply with Air Emission License A-177-70-A-I when normal operations return.

(43) This amendment shall expire concurrently with Air Emission License A-177-70-A-I.

DONE AND DATED IN AUGUSTA, MAINE THIS ____ DAY OF _____ 2004.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: _____
DAWN R. GALLAGHER, COMMISSIONER

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: January 16, 2004

Date of application acceptance: January 16, 2004

Date filed with the Board of Environmental Protection: _____

This Order prepared by Edwin Cousins, Bureau of Air Quality.